

## **REMARKS**

Claims 1-20 and 23-28 are pending. Claims 1, 2, 3, 11, 12, 13, 18, 19 and 27 are amended. New dependent claims 30-91 have been added. Support for the amendments and new claims can be found throughout the specification.

### **Summary of Examiner Interview**

Applicants and the undersigned thank Examiner Champagne for the courtesies extended to the undersigned during the interview of December 28, 2005. Applicant's representative presented a demonstration of a navigation system on a computer display to better describe an embodiment of the claimed invention. Further, the undersigned and Examiner Champagne discussed a sample amended claim substantially similar to amended claim 1 set forth herein. The undersigned pointed out that Hertz does not disclose the limitation of selecting content for display on one or more screens of a hierarchical navigation search interface on a user terminal based on the ranking of the bids. Examiner Champagne stated in the Interview Summary form that the "amendment appears to overcome the rejection of record based on Herz et al."

### **Rejection under 35 USC 112, first paragraph**

Claims 2, 3, 12 and 13 stand rejected under 35 USC 112, first paragraph. Claims 2, 3, 12 and 13 have been amended accordingly. Applicants respectfully request that this rejection be reconsidered and withdrawn.

**Rejection under 35 USC 102(e)**

Claims 1-9, 11-19 and 23-28 stand rejected under 35 USC 102(e) as being unpatentable over Herz.

Independent claims 1 and 11, as amended, are now patentable over Herz. Neither Herz or any of the other references disclose a “hierarchical navigation search interface.” While Herz discloses a system for obtaining and ranking bids and consequently presenting advertisements, Herz fails to disclose a system or method for selecting content for display using a hierarchical navigation search interface based on the ranking of bids. Applicants have invented a system where a user input on one screen leads to another hierarchically related screen. For example, navigation may begin at a top high level layer such as a Shopping and Products layer as described on page 17 of the specification referring to Figure 10. User selections lead the user to obtain additional search information related to stereo receivers in this. In this manner, a user may quickly and efficiently search for information in an organized fashion on products of interest, for example. Further, the content on the screens is based on the ranking of received bids for placement. Because Hertz fails to disclose these elements of the claims, applicants respectfully request that the rejection be reconsidered and withdrawn.

**Rejections under 35 USC 103(a)**

Claims 10 and 20 are rejected under 35 USC 103(a) as being unpatentable over Herz. Official notice was taken that interactive television was well known at the time of the instant invention and that “a simplified navigation system” was also well known and obvious.

As discussed above, the claims, as amended, are patentable over Herz in combination with interactive television as it existed in the prior art. None of the references teach a hierarchical navigation search interface. Because Herz in combination with interactive television or a simple interface fails to disclose a hierarchical navigation search interface for the placement of content on screens as a result of ranking bids, applicants respectfully request that this rejection be reconsidered and withdrawn.

New claims 30 to 91 are dependent on the independent claims discussed above. Because these claims are dependent on claims which are now allowable, as discussed above, applicants request allowance of these new claims.

Accordingly, the application is now in condition for allowance and a notice to that effect is respectfully requested.

Any amendments to the claims not specifically argued to overcome a rejection based upon the prior art have been made for clarity, a purpose unrelated to patentability.

If a telephone conference would be of value, the Examiner is requested to call Applicants' undersigned attorney at the number listed below.

In the event the U.S. Patent and Trademark Office determines that an extension of time and/or other relief is required, applicants petition for any required relief including extensions of time and authorize the Commissioner to charge the cost of such petitions and to charge/credit any other fee deficiencies or overpayments to Deposit Account No. 19-4293 (Order No. 15~~7~~71.0008).

Respectfully submitted,

STEPTOE & JOHNSON

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